

MT LEGISLATIVE HISTORY

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Chapter 449 19 89

Bill H 656 S _____

Original bill & hist. C

H. Committee on Local Government

S. Committee on Local Government

Hearing Date(s) Feb 14 ☒ C

Hearing Date(s) Mar 16 ☒ C

Feb 16 ☒ C

Mar 21 ☒ C

_____ C

_____ C

_____ C

_____ C

Date Out Feb 17 ☒ C

Mar 22 ☒ C

Did this bill originate in an interim committee? Yes No

Committee _____

Report _____

projecting income. Rep. Koehnke stated that might was true but the county is not having to provide any service for that fee being collected.

Rep. Hoffman asked Rep. Koehnke who is responsible for keeping track of the number of occupied spaces. Rep. Koehnke was unsure but the county clerk said that with the passage of this bill she would be responsible.

Rep. Wyatt asked Mr. Saltzman if there is any way to notify the county that those spaces are empty before the county truck gets to the trailer court. Mr. Saltzman stated that there is no need to notify the county since Mr. Saltzman does the hauling of the waste and not the county. They are paying a fee for using the dump not for the collecting of it.

Closing by Sponsor: Rep. Koehnke stated that the trailer court owner shouldn't be a tax collector. Trailers are required to get a sticker from the county before it can be moved so there is a built-in mechanism for collecting these taxes.

DISPOSITION OF HOUSE BILL 630

Motion: Rep. Wallin moved to TABLE HB 630. Rep. McDonough seconded.

Discussion: None

Amendments, Discussion, and Votes: None

Recommendation and Vote: The motion CARRIED with Rep. Hansen opposing.

HEARING ON HOUSE BILL 656

Presentation and Opening Statement by Sponsor:

Rep. Norm Wallin, District 78, explained that this bill would make city water charges collected the same way that the city sewer charges are now collected.

Testifying Proponents and Who They Represent:

Earl W. Bennett, Administrative Assistant, Flathead County
Gordon Morris, Montana Association of Counties
Alec Hansen, Montana League of Cities and Towns

Proponent Testimony:

Earl Bennett was in support of this bill and felt that it would be an asset to local governments especially when reissuing SID and RID bonds.

Gordon Morris stated that this bill warrants the committee's consideration because it would make the counties eligible for issuing refunding bonds. It is a second mortgage so to speak and it should not be longer than 30 years. He also asked that the counties be included in the waiver that is available to cities.

Alec Hansen stated that delinquent SID's are a serious problem throughout the state and this bill would help the cities and towns deal with it. He asked that Executive Action be delayed until Thursday afternoon.

Testifying Opponents and Who They Represent: None

Opponent Testimony: None

Questions From Committee Members: Rep. Gould asked Rep. Wallin if he had talked to D. A. Davidson and other bonding people about the effect of this bill. Rep. Wallin stated that he has and that the new bond issue would have the same requirements as the first issue so they had no problem with it.

Closing by Sponsor: It is a mechanism to reduce payments and permits the county and city to accelerate the loan. Presently, foreclosure is the only option in collecting delinquent SID's and this gives them another option - refinancing with restrictions. He too asked the committee to defer Executive Action until Thursday afternoon.

HEARING ON HOUSE BILL 667

Presentation and Opening Statement by Sponsor:

Rep. Susan Good, District 36, presented this bill on behalf of the City of Great Falls even though there are many cities and towns across the state who would benefit from it. The bill would change the procedures for creating a Business Improvement District. The financing would no longer be based on the square footage of the ground but on the square footage of the buildings.

Testifying Proponents and Who They Represent:

Alec Hansen, Montana League of Cities and Towns

Proponent Testimony:

Alec Hansen stated that his organization supports this bill because it expands the options available when creating a Business Improvement District. Square footage above the first floor is important income producing property and it makes sense to include that income when creating the BID.

Testifying Opponents and Who They Represent: None

DAILY ROLL CALL

LOCAL GOVERNMENT

COMMITTEE

DATE

2/14/89

NAME	PRESENT	ABSENT	EXCUSED
BROOKE, VIVIAN	X		
BROWN, DAVE			X
BROWN, JAN	X		
DARKO, PAULA	X		
GOOD, SUSAN	X		
GOULD, BUDD	X		
GUTHRIE, BERT	X		
HANSEN, STELLA JEAN	X		
HOFFMAN, ROBERT	X		
JOHNSON, JOHN	X		
MCDONOUGH, MARY	X		
NELSON, THOMAS	X		
REHBERG, DENNIS	X		
STICKNEY, JESSICA	X		
WALLIN, NORM	X		
WYATT, DIANA	X		

Local Government

BILL NO. 656

DATE 2/14/89

SPONSOR Wallin

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

local governments to try to compete in the private market.

Rep. Hansen concurred especially in light of I-105.

Rep. Guthrie stated that the small investor is provided with an opportunity to participate in the building of city government on a small scale.

Rep. Dave Brown stated that Butte would not have many new operations if they had not used a mechanism very similar to this. It is another tool for city governments.

Amendments, Discussion, and Votes: None

Recommendation and Vote: The motion DO PASS CARRIED with Reps. Good, Nelson and Gould opposing.

EXECUTIVE ACTION

DISPOSITION OF HOUSE BILL 656

Hearing Date: February 14, 1989

Motion: Rep. Wallin moved HB 656 DO PASS. Rep. Dave Brown seconded.

Discussion: Rep. Wallin stated that this bill is a good bill that local governments want passed.

Amendments, Discussion, and Votes: None

Recommendation and Vote: The motion DO PASS CARRIED with Rep. Good opposing.

DISPOSITION OF HOUSE BILL 549

Hearing Date: February 9, 1989. It was returned to committee on February 14.

Motion: Rep. Jan Brown moved HB 549 DO PASS. Rep. Wyatt seconded.

Discussion: Rep. Brown explained the amendments. Rep. Rehberg said that the amendments did not address his objections. It does not specifically address the particular areas that would be required to have fees nor does it address the fee.

Rep. Hansen supports the amendments even though there is not a specific laundry list provided with the bill. Local governments should be entrusted and charge what is necessary.

DAILY ROLL CALL

LOCAL GOVERNMENT

COMMITTEE

DATE

2/16/89

NAME	PRESENT	ABSENT	EXCUSED
BROOKE, VIVIAN	X		
BROWN, DAVE	<i>tardy</i>		X
BROWN, JAN	X		
DARKO, PAULA	X		
GOOD, SUSAN	X		
GOULD, BUDD	X		
GUTHRIE, BERT	X		
HANSEN, STELLA JEAN	X		
HOFEMAN, ROBERT	X		
JOHNSON, JOHN	X		
MCDONOUGH, MARY	X		
NELSON, THOMAS	X		
REHBERG, DENNIS			X
STICKNEY, JESSICA	X		
WALLIN, NORM	X		
WYATT, DIANA	X		

STANDING COMMITTEE REPORT

February 17, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that HOUSE BILL 656 (first reading copy -- white) do pass.

Signed: Paula Darko
Paula Darko, Chairman

issue you spread out your risk. You structure your bond issue to eliminate as much risk as possible and make it a desirable sale. A financial advisor helps with this area.

Closing by Sponsor: Rep. Kadas stated this is a fairly complicated issue that offers cities an option. There is nothing wrong with the current bonding system. This will involve cities own citizens in their own government. Other cities have been doing this for a long time and it works fine. Thank you.

DISPOSITION OF HOUSE BILL 647

Discussion: None

Amendments and Votes: None

Recommendation and Vote: None

HEARING ON HOUSE BILL 656

Presentation and Opening Statement by Sponsor:

Representative Norman Wallin, house district 76, Gallatin County, stated HB 656 gives cities the ability to handle some SID problems. This bill allows for deceleration of SID delinquencies and to waive delinquent penalties and interest in order to negotiate with a buyer. Acceleration of some of those SID payments got so large that the buyers went out of the picture. If these items don't work, then there is the mechanism in this bill for selling refunding bonds to take care of the original issue. The refunding bonds could go for 30 years from the original date and they would have to be at an interest rate at lease 1/2 of 1% a year less than the rate of interest on the bonds to be refunded. Basically, it gives cities that are stuck with SIDs the ability to negotiate and try to sell that property or save some money. Bozeman has been stuck with \$375,000 interest on SIDs, and this law may help other cities save situations like this.

List of Testifying Proponents and What Group they Represent:

Colleen Allison, May of Columbia Falls
Alex Hansen, League of Cities and Towns

List of Testifying Opponents and What Group They Represent:

None

Testimony:

Colleen Allison stated that Columbia Falls has had trouble with SIDs for a period of 10 years and we have been struggling to resolve them. Briefly, it starts where the cities are the vehicle by which the money passes for paid SID districts and pays off the bonds. There has been in the past nothing to say what happens if no one pays them off, and the city is still responsible. So all the city residents end up paying off for a specific group who had the benefit of the SID. She is in favor of this bill, because they need as many tools as possible to bring about a solution to these and get on with the business of running a city. And to find a way to take the troubled properties and make something happen. This would be a tool to help.

Alex Hansen stated with this bill two things happen. The first it allows the deceleration of the SIDs and it allows the waiver of penalty and interest and it allows for refinancing. These are important tools to prevent the total taxpayers from picking up the tab for a select group. Just about every city has a problem with SIDs. This may get some troubled SIDs into new ownership and get people to resume payments and property back on tax paying basis.

Questions From Committee Members: None

Closing by Sponsor: Rep. Wallen stated he hoped this committee will pass this bill.

DISPOSITION OF HOUSE BILL 656

Discussion: None

Amendments and Votes: None

Recommendation and Vote: None

HEARING ON HOUSE BILL 704

Presentation and Opening Statement by Sponsor: Senator Crippen, Senate District 45, Billings, is opening the hearing on HB 705 which is an act requiring that an action challenging the creation of a county planning and zoning district or of a county zoning district must be filed by October 1, 1994, or within 5 years after the date of the order creating the district.

ROLL CALL

LOCAL GOVERNMENT

COMMITTEE

51th LEGISLATIVE SESSION -- 1989

Date March 16

NAME	PRESENT	ABSENT	EXCUSED
Sen. Ethel Harding	X		
Sen. R.J. "Dick" Pinsoneault	X		
Sen. Tom Beck	X		
Sen. Eleanor Vaughn	X		
Sen. H.W. "Swede" Hammond	X		
Sen. Mike Walker	X		
Sen. Gene Thayer	X		
Sen. Paul Boylan	X		
Sen. Bruce D. Crippen	X		

Each day attach to minutes.

enterprise business area better. Senator Pinsoneault stated a city would be foolish if they didn't use an expert for a professional opinion. Giving cities this authority doesn't mean they will not use prudent decisions and obtain advise.

Amendments and Votes: Senator Vaughn MOVED that we ACCEPT the AMENDMENT as stated above. - The VOTE was UNANIMOUS in FAVOR of the AMENDMENT.

Recommendation and Vote: Senator Vaughn MOVED that HB 647 BE CONCURRED IN AS AMENDED. 8 Senators VOTED in FAVOR and Senator Thayer VOTED OPPOSED. Motion carried and Senator Pinsoneault will carry HB 647 to the Senate floor.

EXECUTIVE ACTION ON HOUSE BILL 656

Discussion: Connie Erickson stated last session there was work done on SID laws and this is an accompaniment to that. It's to help cities and towns that are caught with a bunch of property with SIDs. Columbia Falls and Bozeman are two cities caught in this situation, and this bill will give them some flexibility in dealing with them.

Senator Vaughn asked if there is a problem in getting the SIDs paid off if they can waive these delinquent payments? Is there provisions for funds to pay off these obligations anyway? What happens to SIDs where certain people haven't paid their share and they lay there delinquent and its spread out over a group to pay? The city gets the property. So all they're waiving is the penalty and interest?

Senator Harding stated in Polson they have a Woodvine Addition and they divided into lots and assessed SID against each of those lots. The city ended up with all those delinquent taxes on them. This bill waives the penalty and interest on the SIDs.

Senator Hammond thought this was an attempt to restructure the SIDs and get the people to pick them up again. This is an attempt to let the city resell some of the property. Senator Harding said that the cities that are stuck with these SIDs could sell or negotiate. Senator Hammond said there are cities that have had to pay the SIDs because property owners haven't paid them. SIDs are looked on with a lot less favor than they used to be.

Recommendation and Vote: Senator Boylan MOVED that HB 656

BE CONCURRED IN. The VOTE was UNANIMOUS in FAVOR OF HB 656. Senator Hoffman will carry this bill to the Senate floor.

EXECUTIVE ACTION ON HOUSE BILL 667

Discussion: Senator Harding stated HB 667 is representative Good's bill from Great Falls. Senator Crippen stated we didn't have any amendments on this one. Connie Erickson stated that in 7-12-1114 there is right of protest provision. It gives 3 possibilities; Owners of property in the proposed district have the taxable evaluation when aggregated representing not less than 50% of the total taxable valuation property within the district. Or not less than 50% of the owners of property within the district. Or owners of property within the proposed district have the projected assessments when aggregated representing not less than 50% of the total projected assessments. Currently that's what the law says. Senator Crippen stated that would cover this bill.

Recommendations & Vote: Senator Thayer MOVED that we DO CONCUR in HB 667. The VOTE was UNANIMOUS in FAVOR of CONCURRING in HB 667. Senator Thayer will carry HB 667 to the Senate floor.

EXECUTIVE ACTION ON HOUSE BILL 682

Discussion: Senator Walker asked Connie Erickson to draft a proposed amendment to HB 682 and she gave these out to the committee. Senator Walker stated that these amendments will address the issue of the tenants electing someone to the board without the board having any voice in the choice. This amendment changes the board from 5 to 7 members. The tenants through a process of petition signed by no less than 25 adult tenants of the authority or 25% of the adult tenants of the authority, whichever is greater, make themselves available to serve on the board. That would qualify the nominees to be on a list, then that list would be given to the mayor and the mayor would appoint from that list who he thought would be best. One of those people would represent tenants and the other would represent the disabled and elderly. The terms would be 2 years, instead of the 4 or 5 year terms the other members have. This would give them some say, it lets the mayor do the picking, and the person has to get his petition signed. It gives both sides a bit of what they asked, and it's a fair proposal.

Senator Thayer thought we were going to leave the board at 5

ROLL CALL

LOCAL GOVERNMENT

COMMITTEE

51th LEGISLATIVE SESSION -- 1989

Date March 21

NAME	PRESENT	ABSENT	EXCUSED
Sen. Ethel Harding	X		
Sen. R.J. "Dick" Pinsoneault	X		
Sen. Tom Beck	X		
Sen. Eleanor Vaughn	X		
Sen. H.W. "Swede" Hammond	X		
Sen. Mike Walker	X		
Sen. Gene Thayer	X		
Sen. Paul Boylan	X		
Sen. Bruce Crippen	X		

Each day attach to minutes.

SENATE STANDING COMMITTEE REPORT

March 22, 1989

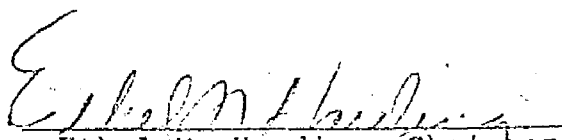
MR. PRESIDENT:

We, your committee on Local Government, having had under consideration HB 656 (third reading copy -- blue), respectfully report that HB 656 be concurred in.

Sponsor: Wallin (Hofman)

BE CONCURRED IN

Signed


Ethel M. Harding, Chairman

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